

Review of
**INTERNATIONAL
AFFAIRS**

154

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| J. GUSTINČIĆ | THE SUEZ CRISIS |
| R. BLUM | EISENHOWER OR STEVENSON |
| Jean DANIEL | ALGERIAN THEMES |
| Branko SAMBRAILO | NEW AGREEMENT WITH ITALY |
| B. KIĆOVIC | THE BRITISH DILEMMA |
| V. MESARIĆ | YUGOSLAV-INDIAN ECONOMIC RELATIONS |
| A. PARTONIĆ | YUGOSLAVIA AND HER FOREIGN ECONOMIC PARTNERS |
| Andreja PREGER | THE DUBROVNIK SUMMER FESTIVAL |

Review of INTERNATIONAL AFFAIRS

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CONTENTS:

THE SUEZ CRISIS — Juraj Gusičić	1
ALGERIAN THEMES — Jean Daniel	3
BEHIND THE NOMINATION OF EINSENHOWER AND NIXON AT SAN FRANCISCO — Rudolf Blum	4
THE BRITISH DILEMMA — B. Kićović	6
NEW FISHERIES AGREEMENT BETWEEN YUGOSLAVIA AND ITALY — Branko Sambrailo	7
YUGOSLAVIA AND HER FOREIGN ECONOMIC PARTNERS — A. Partonić DEVELOPMENT OF YUGOSLAV — INDIAN ECONOMIC RELATIONS — V. Mesarić	9
ON THE EVE OF ITALIAN COMMUNIST PARTY'S CONGRESS — M. K.	13
A DISQUIETING DECISION — D. S.	14
IMPRESSIONS OF THE DUBROVNIK SUMMER FESTIVAL — A. Preger	15

After the London Conference

THE SUEZ CRISIS

J. GUSTINČIĆ

WHAT most strikes an unbiased observer when he endeavours to analyse the Suez crisis today, after the London Conference and on the eve of conversations which the Lenziens group is about to conduct with President Nasser, is that possibilities for avoiding aggravation of relations between Egypt and the Western powers have not been sufficiently used. There is no doubt that nationalization of the Suez Canal Company has not in itself created any objective difficulties which might justify the unchaining of the huge pro agenda apparatus, diplomatic manoeuvres and demonstrations of military power, to which Great Britain and France resorted with such speed.

The attitude itself of the Western powers — it should be emphasised that this applies particularly to London and Paris — toward the act of sovereignty which Egypt realized through nationalization, includes two phases which, show — already with their contradictoriness and general inconsistency, that Western diplomacy not basing its struggle against that act on definite lasting concepts but only on the wish again to repel the Egyptian national influence from the sphere of the Canal no matter at what cost.

The basic argument used by Western diplomacy immediately after the outbreak of the crisis, was quickly refuted. It boiled down to legal reasons which allegedly did not permit nationalization. But legality is actually on the side of Egypt. The assertion that an international company was involved, not a foreign company on Egyptian soil — which allegedly sets nationalization against international law — is untenable. First of all, an international company on national soil could equally be nationalized with the full implementation of the right to compensation. In any case, there exists a rule which, adopted by the international community, would prohibit this explicitly. Why is it permissible to nationalize a foreign company but not a foreign company which has an international character? Is the international factor entitled to exploitation of national resources, and is it, in such a case, still an international factor? In the case of the Suez Company we have to deal with an ordinary foreign company registered in Egypt. Its nationalization, in any case, is a common enough occurrence in the present day world.

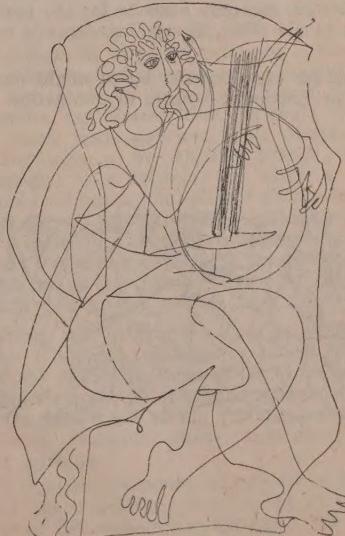
But this argument, after being subjected to criticism, was very quickly replaced by proofs of a different kind — one would say by proofs of a psychological and racial character. What is attacked is not so much the principle of nationalization — although it is still maintained that the Canal, as an important international waterway, must be in the hands of an international organ, under international control — but the "incapability" of Egypt and uncertainty of the present regime in that country as regards free navigation through the Canal. The press of the countries which call themselves the cradle of classical democracy and liberalism have ever before written in such humiliating terms about a Government and a whole people as they are doing now in writing about Egypt. A nation's capabilities are denied in advance, and this is explained, in addition to "general observations" on the Arab world, above all by the political trend taken by President Nasser. As he is an opponent of the policy of blocs "one could not trust him". Were he a supporter of the Western military bloc — according to his logic — he could be trusted. Probably because it would be possible in that case to put successful pressure on him not to nationalize the Suez Canal!

These explanations are now corroborated by various "practical proofs" among which the bribing of the technical personnel of the Suez Company with a view to sabotaging work — is not the least important. This policy, however, has an awkward effect for

its initiators. It contributes to such compromising of the Western policy as we have not witnessed in recent years. On the other hand, it also contributes to the creation of greater political unity in the Arab world. If it has often been maintained in London that the setting up of the Bagdad Pact was necessary for the integration of the Arab peoples who could not be integrated by the Arab League, then the Suez crisis — if anybody accepted this view — had also drawn closer the Arab peoples in the face of a direct danger: that threatening national sovereignty. At the same time, it will most probably weaken such creations as the Bagdad Pact which is controlled by a great power from outside.

However, this transition from argumentation against nationalization to proving that Egypt is "not in a position" to ensure the proper functioning of the international waterway, has another weak point — in addition to proving inconsistency in argumentation. This weak point is the manifested basic contradiction of the whole attitude of the Western powers. Contradiction between the attack on nationalization and the demand for ensuring freedom of navigation. Actually, nationalization does not mean danger for the freedom of navigation, or at least it need not mean this. Nationalization is a kind of property-holding. The freedom of navigation is a definite functional state. The first means possession. The second acceptance of duties towards the international community. And these duties are not ensured by a kind of property-holding, but by accepting obligations and offering guarantees.

The Western powers demanded at the London Conference something that Egypt is not disputing, — which perhaps remained unclear in the early days, — but was corrected by the well-known counter-move of President Nasser: assurance of the international character of Suez. But, if there was actually a wish to deepen this assurance, the Western powers should have agreed to discuss



this with Egypt as something that had not been sufficiently assured even before nationalization. The problem of free navigation should have been taken as such and analysed to establish whether the old guarantees, based on a convention of the nineteenth century, still answer modern conditions. This would be considered a logical procedure. But one could not say it was logical to convene a conference with a view to making it adopt a plan on definite, non-Egyptian ownership of the Suez, with the explanation that it is necessary to ensure freedom of navigation through the Suez Canal. Nor is it logical to take measures which look like demonstration of power and are designed to make Egypt renounce its sovereign rights. Is the freedom of navigation, based on the plan of the Western powers with which many countries disagree, actually guaranteed? Even if it were formally guaranteed the psychological effect of such security would be very unfavourable.

This effect would be unfavourable because it would essentially set a large number of underdeveloped countries which are only now acquiring their full political and economic independence — against the developed countries. It would quite justifiably, create an impression among politicians and in the public opinion of Africa and Asia, that the *international interest* is something that is contrary to the aspirations of young nations, to their wish for fully exploiting their internal resources in order to develop their country. For, according to the plan submitted by Mr Dulles at the London Conference, international interests can be ensured only in the form of international control and international possession. This means, in the view of the West, that national sovereignty — this great slogan of two thirds of mankind in the twentieth century — is something that clashes with the interests of the world, with the interests of the United Nations!

For this reason — and what follows may be a model for settling many similar crises in the future — the problem of Suez can only be placed in a different way — a way closer to the aspirations of the majority of nations: it would be necessary to establish what exactly is needed for ensuring international interests, whether something is involved, that arouses the interest of the international public, and how to harmonize international interests with national sovereignty, without whose assurance there can be no real cooperation among the states and peoples.

The Suez case, as we have already pointed out, is interesting from the viewpoint of the international public opinion, precisely because it shows very clearly how these two sides of the problem can be made to accord. They can be made to accord if the problem of ownership — in all its forms and with all its consequences — is taken quite separately from the problem of guaranteeing international interests.

Is this possible? The Egyptian practice shows that it is. The Egyptian Government has taken all the necessary steps to ensure the normal exploitation of the Canal, and has also proposed a system of international guarantees to be linked with the United Nations. The answer to the remark that Egypt is not in a position to safeguard and assure navigation through the Canal being a backward country with inadequate technical experience and personnel, is very simple: a country so much interested in the Suez Canal as Egypt is — a country for whom it constitutes the chief national asset, will certainly do everything in its power to maintain the level of the Canal's functioning. It will ask and get assistance from abroad. — unless the Western powers decide to block this assistance. Therefore, the only obstacle for the normal functioning of the Canal is in the West. Everything depends on the good will of the West.

One could ask what benefits Egypt might reap from the introduction of an unpopular system of navigation or changes in

rates for passage of ships. As regards discrimination, it does not depend at all on whether the Canal is controlled by an international corporation or by an Egyptian national company — as the case of the Israeli ships has shown — but on the political situation and settlement of international political problems. All this is not in any direct relation with the problem of ownership of the Canal which falls under Egyptian jurisdiction even though the company be international.

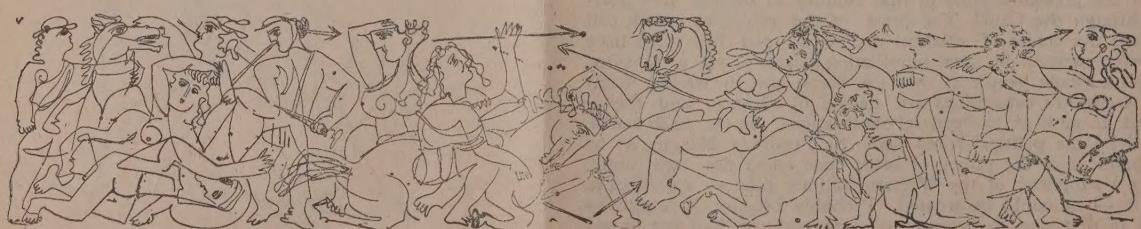
It seems, however, that there is a wish in certain quarters — although it is not expressed in the Dulles Plan — to make the Canal Zone extraterritorial in an indirect way. Only, this might create a situation in which the public opinion of underdeveloped countries should declare itself against any assurance of international interests, as this would affect their territorial interests, resulting in the development of just such nationalism as is mentioned in the West and which is at this moment only a natural aspiration towards political, economic and territorial integrity.

At present, the world public opinion has before it several plans for the solution of the Suez crisis. Actually, if the less important differences are put aside, there exist two basic plans, two basic ideas. The first, is the idea set forth by Mr. Dulles according to which Egyptian sovereignty would be respected — formally — while the share of Egypt in the ownership of the Canal would be increased. But the Canal would remain under the administration of international organs and under international control. Although the United Nations is mentioned in this connection, such an international organ, judging by the London Conference, would in the present situation advocate above all the interests of the majority at the London Conference.

However, the Dulles Plan also contains such general elements of emphasizing the international character of navigation as would have to be taken into consideration in any final solution although it is clear, on the whole, that Egypt is asked to do something it is not prepared to do: to sacrifice its sovereignty.

On the other hand, Krishna Menon's plan provides for complete Egyptian sovereignty in the functions of management but leaves broad possibilities for attaching such consultative organs to the Egyptian administration or organs with limited functions as would have quite an international character and which — along with a new convention proposed by Nasser — would ensure the safeguarding of international interests. If those elements of goodwill which were manifested during the London Conference endure for some time yet, if any imposition of will on Egypt is completely stopped, if readiness is shown for very patient negotiations and if a wider circle of interested countries is drawn to these negotiations, there would be realistic possibilities for reducing divergences and combining the ideas from various plans. For, undoubtedly the crisis is so serious that without an earnest compromise — but a compromise based on Egyptian sovereignty — nothing can be accomplished.

All that was said here also fully applies to the Menzies mission. It will be able to bring closer the day of settlement only if it is occupied with information, explanation, soundings. But if it remains rigidly on Mr. Dulles's attitude, stressing that it is the last word of the West, at the same intensifying pressure on Egypt, all one can predict is aggravation of relations and creation of a very uncomfortable atmosphere in large parts of Asia and Africa which are following with special attention the development of the Suez crisis. Those who attach special significance to the fact that some Asian countries have finally nonetheless voted in favour of the Dulles Plan, should bear in mind that they have done so in the wish to avoid conflict. But they now expect patience and elasticity from the West too.



Opinion on current problems

ALGERIAN THEMES

JEAN DANIEL

EDITOR-IN-CHIEF OF L'EXPRESS (PARIS)

II

THE French capitalist bourgeoisie, as we have seen, has made serious mistakes in Algeria. It is indisputable that it showed such egoism as could hardly be equalled in the name of political imagination. But it must be said, in justification of France, that these mistakes of the bourgeoisie were not the sole causes of the catastrophe. Unforeseen circumstances have also greatly contributed to this situation — primarily the demographic problem of Algeria.

It is well-known that under-developed countries, especially those of the Moslem world, are subject to amazing growth. In 1830, the French found in Algeria about 3 million Algerians; today there are 9 millions of them. In the last quarter of the century the Moslem population in Algeria doubled its number. Now this population is increasing every year by 250,000 souls. This means that every four years the Algerian population increases by one million. When France, not so long ago, introduced some economic and social reforms for the benefit of Algerians, each of these reforms proved inadequate: it answered the needs at the time of its promulgation but when at last it was put into effect, the needs had increased ten-fold through demographic development.

One million poor children have to be added every year to five million Arab peasants whose average per capita income is 3,000 francs annually. Has France done what she was under obligation to do in the economic regard? Indeed, this Algerian land which is as large as 35 French departments, with as large a population as 19, and as rich as 4 departments — receives three fourths of the French economic and social assistance. The Algerian soil is very poor, its climate very varied, the means of communication between areas exceedingly difficult owing to great distances. These circumstances, coupled with the demographic moment go hand in hand with French incompetence. The Algerian nationalists know that the deeds of Algeria are enormous and that they will remain so no matter what solution is found for the present conflict.

Another circumstance is the well known Maghreb unity referred to in the previous article. The Algerian elite took the proclamation of the independence of Tunisia and Morocco as a kind of additional insult. They also take as an offence the granting of the dignity of state and political maturity to the neighbouring countries inhabited by their brothers in race and religion, a people who speak the same language. Hence the Algerian leaders wish to imbue their own people with that national consciousness, that feeling for the community which has not been one of their strong characteristics.

Finally, there is another matter which might have been a favourable asset under different conditions: the presence of 1,250,000 Frenchmen. Actually this is one of the principal problems. The Algerian French have been feeling at home in Algeria ever since 1830. They have behind them five generations of Algerian French. The graves of their parents and childhood memories are all in that country. Often they even have no knowledge of France. The vast majority of them are very poor. Very early they have become separate people while their behaviour, speech and attitude to life turns them into Algerians rather than French. During economic and administrative conflicts, they have often threatened the French Metropolis with secession. In their own way they have sympathy for the Moslems. The wet-nurses of their children are usually Moslem women. The faithfulness shown by Moslem servants to their French employers is proverbial. The Algerian

French are racial chauvinists in the sense that, for example, they could not imagine a mixed marriage with the natives and that in the depth of their soul they do not believe in the evolution of the native people who, they say, never knew how to irrigate their land nor to build roads. But they are not, they never were racial chauvinists in the Hitlerite or American sense, that is, they never were obsessed by the desire to exterminate people.

Courageous, but deprived of political spirit, patriots but limited in their outlook, the Algerian French today consider that negotiations with insurgents would lead to capitulation and would be a disgraceful cowardice. The evolution of the people with whom they live in community is so alien to them that they look everywhere for the causes of the Algerian drama: in Egypt, in the United States of America, in the USSR. Everywhere, but not in Algeria. Among them there are liberal elements, but as the conflict continues, the French look upon these elements as traitors, while Moslems consider them inefficient dreamers. How is one to explain this fury of the Algerian French? One can explain it in a single word: fear — fear of the Islamic reality.

These people mostly consider that Islam is intolerant of minorities. They declare — though too late — that their fathers have made mistakes, that a unity of rights and duties should have been realized, but above all they are in fear of having to live in a country under Moslem rule. They say that in the present phase of evolution of the Algerians, an independent Algerian state would necessarily be Arab, religious and nondemocratic. They are afraid of the spirit of vengeance among former colonial subjects. They maintain that the whole of their struggle for the organization of the country, struggle against disease, for the ensurance of order — would be shattered. For a section of them the problem boils down to „They or we!“.

The presence of such numerous Frenchmen in Algeria is making the decision of the French Government very difficult. Now Tunisia has broken off negotiations with France because of the Algerian war. Morocco has forbidden French troops to use its territory as a base for this war. The French Government is pursuing its mobilization of young men and is aware that there is a risk of a conflict again flaring up any moment in Tunisia and Morocco. The Government's concern for French citizens in Algeria is worthy of praise, but viewed from this angle, this means following a road which leads nowhere. For, continuous conflict is primarily causing harm to the Algerian French themselves. It is leading increasingly to a situation in which a Franco-Moslem community would be impossible. And if all the fears, entertained by the Algerian French were justified — which is far from reality — then this impossibility would be ten times greater. The war makes Islam less tolerant, it makes the people more religious, the future state weaker and less liberal. There are nine million Arabs while the French number one million. And this is the only reality.

Today every one in France agrees in words that considerable satisfaction is due to the Algerian people. Every one agrees in words that an Arab vote is worth as much as a French vote and that the Algerians should enjoy the same economic and social benefits from the Metropolis as the French. No mistake: this is a significant spiritual evolution which could occur only under the pressure of the uprising.

But the evolution remains significant in its possible consequences. Had the Algerians, deceived by so many unfulfilled promises, accepted full economic integration, this would have been

a very significant event for the Algerians. It is well-known that Egypt has not seen much profit from American-Russian competition, not even for the construction of the Aswan Dam. The USA refused credits requested by Tunisia and Morocco, while France, alone, is giving more for the three North African countries than all the other countries together under the programme of assistance to under-developed countries (item IV).

Those Algerian leaders who are aware of economic realities and who wish to imbue their national rising with a revolutionary significance, think of all this. But, unfortunately, they are not numerous. France did not make much effort to form a Moslem elite. And it has been generally noted that revolutions are provoked by political and military temperaments rather than by technicians and economists. But, in the end, reality does not betray them. This small group would probably wish to win political independence in a sufficiently wide, French framework where there would nonetheless be enough space for an inner economic association. This view — in my opinion the only intelligent view — has many opponents. In the first place, a section of the French would agree to economic sacrifices provided Algeria remained French. This for example, is the view of Jacques Soustelle, former participant in the resistance movement on General De Gaulle's side. This is also the view of Robert Lacoste, who has not only been in the resistance movement but is also socialist member of the Guy Mollet Government. This view has no future. If the war in Algeria is terminated, even by suppressing the uprising — the Algerian community, as soon as it is able to declare itself at free elections, will take the path of necessary autonomy.

But, political independence within the framework of a mutual economic dependence also has enemies — the Moslems, all those who, in contrast to the spirit of the Bandung Conference, see in the emancipation of the colonial peoples an occasion for settling accounts and eliminating the Western civilization. Hence, there is competition going on, frequently competition on a religious basis. For example, in Tunisia, Salah Ben Yussef scores easy successes among his listeners, — who are few but, fanatical — by declaring that Bourguiba has not really won the independence for his country as he cooperates with France in the military field. These men do not think at all about the needs of their people, about the need for improving their standard of living. They are demagogues. Those who follow them are less to be blamed; it is certainly psychologically normal that a people under tutelage wishes no further relations with its former tutor in regard to whom it keeps many complexes. But the salvation of the Algerian people, who are fighting today, as well as those who have not yet attained political maturity and are the victims of double terrorism and double oppression — the salvation of these people does not lie in a return, to the past — namely to a feudal regime of the Yemen or Saudi Arabia, after a revolution which really makes the people

greater. The Algerian nationalists often say, quite rightly that they are not fighting against revolutionary France of 1789, but that they are fighting for the very principles of 1789, against the colonialist section of the French. This, in any case, is one of the reasons why the revolution should be prevented from taking the path of social, economic and political regression. Those who bear the grave responsibility for deciding to launch an insurrection should guarantee an organizational programme based on those revolutionaries and socialists in other countries.

These are serious, important and concrete problems behind which a terrible conflict is concealed. Not only soldiers but also women, children, Moslems and French, are dying every day in Algeria. The National Liberation Front declares that it will enter into talks on cease-fire only when France formally recognizes Algeria's right to independence. France, on its part, declares that the political status of Algeria can be established only by way of free elections, and that these elections can be conducted only after re-establishment of peace and order.

This is the conversation of the deaf going on over the heads of the fighters, which allows every opponent to gain time, as each believes that time works for him. Actually one could not say for whom the time works. Appeasement might come in some parts of the country. On the other hand, it might happen that terrorism in cities creates such fatal insecurity as to lead to the evacuation of the civil population in some parts of Algeria. However, what can be said with perfect certainty is that time is not working in the sense of cooperation, not even in the sense of coexistence between the French and Algerians. Of all the countries under French influence, Algeria bears France's strongest mark. On the other hand France is needed by Algeria more than by any other country. The Government of my country considers that it must decline the services of its friends. I understand it perfectly. As far as am concerned, I would not be offended if the Sultan of Morocco or President Bourguiba were to appear, not as arbiters in the Algerian conflict, but as those who offer assistance for the rapprochement of views. I would not be offended if Mr Nehru's plan were taken into consideration. No doubt it would be a more delicate matter if Mr Nasser interfered in these questions. Colonel Nasser is not a neutral; to tell the truth, the Algerian problem is not nearly so important to him in this conflict, as the prestige of the Arab League.

Finally, I would like to say that this conflict is too difficult and too complex to provide a possibility for an easy decision in favour of one or the other opponent without regard to the real interests of all the victims. The Algerians are waging a war of liberation, but I wished to show in these articles that their enemy, against whom they are compelled to wage this war, is at the same time the only factor that can bring them, once peace has been re-established, economic, cultural and social development

BEHIND THE NOMINATION OF EISENHOWER AND NIXON AT SAN FRANCISCO

RUDOLF BLUM

FOR the last 150 years and more the great American political parties hold their Conventions every four years to nominate their candidates for president and vice president. The nominating conventions traditionally are very large, very noisy, spirited, militant, demagogic and combine the characteristics of political manifestations, circus performances, patriotic assemblies and frolicking holidays. The Chicago Convention of the Democratic Party displayed many of the above characteristics together with a high level of political maturity introduced by the liberal wing of the party now headed by Stevenson.

The Republican Party Convention in San Francisco in contrast was as quiet, dignified, obedient, and boring as a gathering of church dignitaries. It nominated Eisenhower and Nixon unani-

mously and adopted its election program without discussion, dissent, or enthusiasm. Its 1323 delegates were absolutely confident that Eisenhower will be elected again, provided of course that he is not stricken once more — with a heart attack or "ileitis". All questions were settled before the Convention began so that its delegates came together only to approve the decisions of their top leaders.

This Convention also marked the 100th anniversary of the founding of the Republican Party. This party, which under the leadership of the genial Abraham Lincoln, conducted the Civil War and abolished slavery, after Lincoln's tragic death, became the faithful servant of bankers and industrial capitalists. It was in power almost continuously during the transformation of America



om an agricultural into a modern industrial country. Economically its long period in power was marked by extraordinary dynamism and technological progress. Politically it was marked by servility to big capital, anti-social conservatism and reaction, corruption, and a conviction that God has chosen the Republican party to rule America in the interest of big capitalists.

Since the days of Lincoln this party did not produce a single political leader or statesman of world calibre or did not introduce a single progressive, social law or social reform. Eisenhower is the first Republican President who can be characterized as socially responsible and liberal even if he is far below the Roosevelt political and intellectual level.

A great paradox in American political life began when this ultra conservative party of big capitalists selected the liberal General Eisenhower as its candidate for President in 1952. At that time the very conservative Senator Taft fully controlled the Party and his Convention and desperately wanted to be the President of USA, but, the invisible hand of those circles who finance and guide the party insisted on General Eisenhower who was known as a liberal upholder of Roosevelt New Deal policies, which proved in practice to be useful and indispensable to the further development of American capitalist society.

The last four years were a paradox in American political life because the ultra conservative Republican Party was in power while a liberal Republican President continued to carry out the Democratic Party's domestic and foreign policy.

For four years Eisenhower tried to liberalize the Republican party, but, without success. His liberal domestic and foreign policy program was opposed in Congress by Republican Congressmen. It was only through the support of the Democrats that he succeeded in carrying out most of his legislative program much of which was diluted in compromises with his own party.

Last week's Republican Party Convention in San Francisco marked the termination and climax to Eisenhower's efforts to transform the Republican Party into a liberal party. Walter Lippman, without doubt one of the most intelligent, capable, and liberal Republicans and admirers of Eisenhower, summarizes the results of the Convention as follows — the right wing Republicans unanimously voted for liberal Eisenhower as President and without hesitation adopted his liberal line in the party election program but, the right wing took absolute control of the party apparatus

and retained their representative, Richard Nixon, as the Vice-President, namely as the President of USA should anything happen to the ill and aging Eisenhower, provided of course they are elected in November.

One might suggest that Eisenhower's success lay in having the party adopt his liberal program. But Lippman, in his appraisal of the Convention, hastens to add, what every American knows from long experience, that election platforms constitute bait for votes, they promise something for every section and layer of the population in order to attract the maximum number of votes.

The Republican Party election-program is in almost every respect similar to the Democratic election program. Not even Roosevelt could improve on either one of them much. He would of course erase from both programs the promise to keep People's China from membership in UNO. But election programs have little or nothing in common with the real domestic or foreign policies which a party follows when in power, and no one in America expects anything different. Few voters ever read those very long, boring and tedious election programs.

Neither in the speeches or in the election platforms of either conventions was there a single word about the health of President Eisenhower. The fact that this very delicate and unpleasant subject was avoided by the leaders of both conventions reflected a measure of decency and political ethics somewhat rare in American pre-election politics.

Eisenhower is certainly one of the most popular and deeply respected Presidents that America ever had. Since last September he has been nearly continuously in hospitals or at home recuperating either from his heart attack or his very serious abdominal operation. In both of these illnesses there is a great danger of recurrence, especially when the patient is over 65 years and if he lives an active and strenuous life that an American President must follow if he is to be a real President.

Even if no one mentioned the problem of Presidents health it is this question and this question alone that will determine the outcome of the elections on the 6th of November. Eisenhower's personal popularity is enormously greater than Stevenson's. Important differences in domestic and foreign policies do not exist between the two for the simple reason that Eisenhower has "stolen" the Roosevelt-Truman line on almost every question.

Voters who have elected Eisenhower in 1952, will elect him once again, provided — they have confidence that his health will return to normal once again and continue for four more difficult years. Otherwise they know they are voting for Nixon as the next president of USA. And Nixon means the right wing of the Republican Party that has been opposing the Eisenhower liberal line in Congress for four years.



The question is not quite as simple as that, but, the Democrats will move heaven and earth in the remaining two months of the election campaign to make the choice appear not between Eisenhower and Stevenson but between Stevenson and Nixon.

One month before the Republican Convention Harold Stassen the President's liberal foreign policy advisor created a sensation when he announced that if Nixon was selected as candidate for Vice president by the San Francisco Convention Eisenhower would lose 4 million votes and lose the election. Stassen proposed the selection of Governor Herter of Massachusetts in place of Nixon.

The entire press and especially the right wing Republican leaders interpreted Stassen's move as a confirmation of rumours that Eisenhower's health is so poor that it is not certain that he can stand the strain of presidential duties even if elected. Stassen is known as one of few liberals who fears that if Nixon becomes President the right wing will gain full control of the state apparatus and change the liberal policies of Eisenhower, namely policies introduced by Roosevelt and continued by Truman.

The political storm created by Stassen was very violent and revealing but did not last long. The right wing under Senator Knowland's leadership quickly and firmly brought pressure to bear on Eisenhower, Herter and Stassen so that by the time the Convention opened all Republicans were unanimous for Nixon.

But incalculable damage was done. During that brief period of three weeks campaign against Nixon, conducted by Stassen from the White House itself, there was more discussion of Eisenhower's health and perspectives of recovery than during the entire period since September. Moreover there was a flood of negative writing about Nixon.

The liberal magazine "Nation" summarized the liberals' appraisal of Nixon as a political opportunist without principles, scruples, a cold, calculating politician without enthusiasm, affection or loyalty, guided solely by cold self-interest. This is Nixon as a person. As a politician he belongs to the right wing which specializes in red baiting liberals. He called the 20 years of Roosevelt-Truman administration "20 years of treason" and it was he who advocated American military intervention in Indochina the tense and dangerous days of April, 1955.

Republican Convention in San Francisco viewed against the above background was not as united and optimistic as it appears on the surface. When a party buries its liberals and liberalism the Republicans did at their Convention they invite political stagnation and political paralysis. They worshipped Eisenhower whose real program they opposed in Congress. They even adopted his political line in the election program. But this was an ill and tired Eisenhower who no longer has the strength or vitality to continue his campaign to liberalize the party. The old guard came back into full control. Senator Knowland has replaced Senator Taft as the leader of the party and his chief representative is Richard Nixon. Eisenhower will be retained as a symbol of liberalism who may or may not regain his health and energy.

The two parties have selected their candidates. Both are confident of victory. Republicans are sure because of Eisenhower's popularity while the Democrats are certain of victory because of Eisenhower's illness. The voters however will make the decision and American voters are more liberal and intelligent than most observers realize.

THE BRITISH DILEMMA

B. KICOVIC

No particularly detailed analysis is needed to bring to light the difficulties in which British foreign policy is entangled today. They are reflected in the defensive and expectant attitude of the British who are waiting to see what others will do. In a word, this phenomenon may be described as a sort of British immobilization. The reason for this state of affairs has a double character — external and internal.

The evolution of international events, especially during the past year, has been characterized by Eastern initiatives. Various forms of activity undertaken in all spheres of international life by the East, that is the Soviet Union, are leaving deep traces on the scene of world events. Concrete actions of the new Soviet leadership eloquently speak of the essential and positive changes which should be borne in mind if there is a wish to march in keeping with the times.

But not only are these the changes under consideration. Taken as a whole, the picture of the world has considerably altered. Two continents — Asia and Africa until yesterday, so to say, constituted a "reservation and hunting-ground" of the great powers, an object in international relations, have resolutely taken the path of their renascence and affirmed themselves as very significant factors in international life.

The West undoubtedly reckons with these facts, and efforts are being made every day to meet them with a unified policy of adaptation. But it is only now becoming clear that "Western unity" is not built on particularly strong pillars and that a general overhauling of the whole structure is necessary. But this is not an easy task, as was revealed at the spring session of the Atlantic Pact Council. It was easy to detect various tendencies, ambitions and interests behind the apparent unity. This was shown equally by both the big and little members of NATO, with the difference

that, in practice, the big powers take a more open attitude. Italy, for example, is rather inclined to view NATO as one of the possibilities for drawing palpable benefits, relying, above all, on the USA policy. France, after the Guy Mollet Government came into power, has abandoned her previous immobility and is earnestly looking for a new, above all, French policy. The United States of America, supports the NATO such as it is today, but realizes that something needs to be changed here. However, American hesita-



ion will last probably until the election campaign ends and until President Eisenhower or somebody else enters the White House. Western Germany, generously admitted to the concept of Western countries — and what follows is very important for Great Britain — makes no secret of the fact that she has special interests and calculations which, more often than not, are incompatible, with what London would like them to be.

In this general movement and change which characterizes modern developments on the European continent and in the world generally, Great Britain is in a dilemma: what path to take. Viewed from the standpoint of the observer, the choice is not difficult. But from the standpoint of British diplomacy and policy — or, to put it more correctly, interests of Britain as a great power, this is not an easy task. British politicians are faced with an alternative. If they remain in the attitude of waiting to see what actions others would take, this will not only widen the discrepancy between the East and Britain, but also between her and her allies, especially since this discrepancy already exists. To take independent steps is likewise a risk — as the ally on the other side of the Atlantic might also begin to negotiate with the USSR on his own. In that case, besides losing the positions of an imperial power, Britain would also lose the positions of "the great power at the green table".

Such British reasoning has deeper roots. Namely, Premier Eden himself said recently that, as far as he could foresee, "the direct danger" for the existence of Britain is "competition in export markets rather than a world war". Indeed thanks greatly to no existing East-West bloc partitions — which are still being maintained although tension has relaxed — Britain is able to manoeuvre in various fields. The question arises, what would happen if the Bagdad and SEATO pacts, for example, if tension were to disappear, resulting in a regulation of general international conditions. It is not difficult to surmise that arguments which now serve to justify the existence of these organizations, would lose their value in the eyes of all. And it is not a secret that these organizations were intended to play a first-class role in the preservation and maintenance of the remaining political, and above all economic, interests and positions of Britain in those parts of the world. In other words, what is feared is penetration of American and Soviet capital. And not without good reasons. At present over 10% of the profits realized from oil fields in the Near and Middle East find their way to USA, while the Soviet Union is appearing as a very serious and magnetic buyer and seller in those areas. Certainly, if the Bagdad Pact and the Cyprus base were to disappear, if the British troops were to leave, then businessmen would have the principal say, which means that those economically stronger would dominate the scene. In any case this would not be the British, as they would have beside them such competitors as the USA and the Soviet Union.

Britain is in a similar situation also in respect to other remnants of its empire. The recently held meeting of the Prime Ministers of nine countries which make up the Commonwealth — the so-called British Commonwealth of Nations — revealed that this organization is linked together by feeble ties which are con-

stantly loosening. And the inevitability of historical development had its say here too. Divergences between the Commonwealth members and their mother country have become deeper and more varied, which means that interest as well as political and economic tendencies and orientations are also diverging. Hence, although called "the hope of Britain", the latter finds it very difficult to engage the support of that organization in ensuring its own interests, as they are frequently contrary to the interests of others. At those points where it pursues the policy of the "firm hand" — in Malaya and in Singapore — Britain has come up against the awakened nationalism which is ever more openly showing that it does not fear the teeth of the British lion. It is similar with Aden. The Suez crisis shows most eloquently that imperial policy has landed in a blind alley and that it is useless to try to preserve an obsolescent order.

In addition to these external difficulties, Britain has other difficulties on the internal plane. Despite all efforts to prevent them, Britain feels the coming of serious economic imbalances. This is openly referred to by the highest factors, especially since Finance Minister Macmillan came out, in April this year, with his budget of "abnegation and burden". This state of affairs was thus characterized by the Prime Minister in his Lancashire speech: "We are in mortal danger not of momentary unemployment but of gradual impoverishment. Today we are at loggerheads with inflation. This is a new fight for Britain. We are all in it, and our homes, our employment and future of our children will depend on its outcome". Eden appealed for more production, better quality goods, and at more favourable prices, otherwise competitors would take the British place in foreign trade. This warning clearly illustrates the seriousness of internal economic difficulties of Great Britain.

Even such a summary cross-section of the situation in which Britain finds herself suffices to explain why the formerly well-known British elasticity and capability of adaptation has turned to a certain extent into its antithesis. The dilemma facing the British politicians and statesmen, both Conservatives and Labourites, could be reduced to the following; how to comply, under modern conditions, with the demands of the times and preserve the existing positions, the place and role among one's own allies and in the world generally. The present British Government still keeps to the old imperial course, although it is indisputably interested in the preservation of peace. However, any progress in the regulation of international conditions objectively increases its worries as to how to preserve the rest of colonial possessions and prevent a situation in which the former colonies would turn their back on the former Metropolis. Besides this, under conditions of a lasting appeasement, the role of Great Britain would not have that character and those proportions which it has on the international plane today. This is the reason for hesitancy of the present British policy, for the vague and incomplete British attitudes to many current European and world problems. And yet the dynamism of the general world movement and development is such as to urge British politicians and statesmen to answer without delay what more consistent path they propose to take on moving at the present cross-roads.

NEW FISHERIES AGREEMENT BETWEEN YUGOSLAVIA AND ITALY

BRANKO SAMBRAILO

MEMBER OF THE ADRIATIC INSTITUTE OF THE YUGOSLAV ACADEMY IN ZAGREB

TWO months ago Yugoslavia ratified an agreement on the fishing activities of Italian fishermen in Yugoslav waters, which had been signed between Yugoslavia and Italy on March 1st, 1956.

The conclusion of this agreement followed preliminary unofficial talks between experts in 1955. On this occasion views had crystallized to such an extent that the need was felt for a joint regulation of fish-protecting measures in the open part of the Adriatic Sea (international waters). It is significant that prominent

Italian experts recognized the existence of relative overfishing throughout the Adriatic Sea so that protective measures for safeguarding the fish from excessive exploitation was a logical course to take.

The experts began with the examination of the problem of fishing in international waters and later the delegations of the two Governments discussed the Italian demand for granting fishing concessions to Italian fishermen in the Yugoslav fishing reservation (territorial sea and external sea belt — „zone contigüe“).



A joint resolution was passed on the first problem. The resolution stressed the existence of relative overfishing in the whole Adriatic Sea owing to over-intensive fishing activities.

This conclusion of experts found expression in the preamble to the agreement on fisheries and has been even more concretely expressed in Art. 15 of the same agreement. The preamble of the agreement emphasises that the question of preservation and rational exploitation of vital sea resources is a problem of joint interest for the two countries so that its solution, bearing in mind various aspects of this question, calls for a deeper study. Article 15 of the agreement stresses that the fish reserve, subject to our regulations (that is in the territorial sea and in the outer sea belt) depends on the total fund of fish in the open Adriatic. Hence the parties to the Agreement wish for the early conclusion of a special convention on the protection of the fish in the international waters of the Adriatic, which are caught by trawlers; as well as for the appointment of a mixed Yugoslav-Italian commission with the task of studying all the related questions and proposing measures for the realization of this protection.

Thus both interested parties accepted the obligation in the spirit of general tendencies prevailing among maritime countries of the world, to take efficacious international measures for the protection of the fish reserves from overintensive and harmful exploitation, which, dangerous for the fish fund as a whole, can lead to the extermination of some economically important types of fish. These world trends for protection are being increasingly reduced to regional frames. As Yugoslavia and Italy belong to the Mediterranean fishing area, as members of the General Council for Mediterranean fisheries, the planned protection of the Adriatic sea reserves can be realized through a general convention for the whole Mediterranean, specially regulating the fishing area of the Adriatic Sea as its sub-region, or by a special convention concluded only between the interested states — Italy, Yugoslavia and Albania, the only countries exploiting the fish reserves in the Adriatic. The above mentioned solution through the Mediterranean Council was specially dealt with in this review (Number 118 of March 1, 1955). If this last proposed procedure were adopted, the special conventions could then easily be included in the general convention for the protection of the fish fund of the Mediterranean basin, as a special section on the Adriatic fishing sub-region.

It is interesting to note that there already exists a view on regulating the protection of Mediterranean fisheries as a whole. It was set forth by the wellknown Italian biologist Signor Brunelli. He advocates the thesis that it is impossible to regulate the Mediterranean fishery protection (which certainly embraces the Adriatic as a component part of the Mediterranean) owing to an excessive number of different kinds of fish. According to him, if one kind of fish is protected, then this will necessarily be detrimental to other sorts and so on. He concludes, therefore, that measures such as those implemented in the North Sea, with its limited number of genera, could not be applied to the Mediterranean fish reserves.

It is a question whether other biologists of the Mediterranean Council member-states share the view of Signor Brunelli, which should be ascertained before carrying out this plan of the Mediterranean Council.

One should bear in mind that what is involved in the Adriatic Sea area, is protection of economically important classes of fish, and not of all kinds which are truly numerous. This matter

should certainly be left to biologists of all member-states of the Mediterranean Council which will have to decide for or against Professor Brunelli's view.

The rest of the Yugoslav-Italian agreement on fisheries except the above mentioned preamble and Article 15, is devoted to the regulation of concession to Italian fishermen fishing in Yugoslav waters. The concession given to the Italians does not extend to include the whole surface of the territorial sea and outer sea belt nor all methods of fishing, but only refers to strictly delimited areas of definite fisheries, the quantity and type of fishing equipment as well as the definite time of fishing.

The fishing areas are determined according to the technique of fishing involved. Thus it is permitted to fish with *trawling net* in the following zones: a) in the Jabuka-Kamik Island Area, the zone bordering in the east on the meridian which passes through the island of Kamik, starting from the beginning of the third nautical mile from the shore and ending with the tenth nautical mile inclusive, from the shore of the above mentioned islands facing the open sea; b) in the Pelagruža-Kajola island area; the zone starting from the beginning of the fourth nautical mile inclusive with the tenth nautical mile from the shore of the above mentioned islands facing the open sea; to the north and to the south of this area the fourth nautical mile is reckoned from the line which links the islands of Pelagruža and Kajola. Long-line and moored-net fishing is permitted in the zone of the western Istrian shore which borders in the north on the parallel which crosses the Katavra cape and in the south on the parallel which passes through the Galiner lighthouse at Vrsar starting from the beginning of the fourth nautical mile off the shore to the tenth nautical mile inclusive of the shore, that is, from the external border of the internal sea waters towards the open sea. The fishing equipment serving for catching young fish can be for fishing in the internal waters of the Tarsian and Medulin bays. (Art. 1.).

The number of ships that may be used for trawling in the above mentioned fishery, has been determined by the two Governments. An indefinite number of ships may be used only in the island zones of Jabuka-Kamik and Palagruža-Kajola; but here again on condition that this fishery be conducted in a profitable manner (Art. 2.). As regards the catching of young fish in the Tarsian and Medulin Bays, the catch is limited quantitatively, so that it may be as follows: 4 million mullets, 1 million wrasses and 1 million lovratas (Art. 3.).

Besides this, limitation, have also been imposed as regards the power of fishing, ship as well as ship tonnage. The minimum power of a fishing motor is 100 HP, and maximum 150 HP, or in the case of strengthened motors 175 HP, while tonnage must not exceed 35 GRT per ship.

Limitations have also been laid down in respect to fishing equipment so that Italian fishermen must not have in their ships other implements than those serving exclusively for the system of fishing envisaged for definite zones (Art. 4.).

The agreement also establishes time limitations for various types of fishing in individual zones. Thus trawling in the above mentioned zones is allowed only from September 1st till April 30th; while long-line fishing in the mentioned zone is allowed from November 1st till April 30th. The fishing for spawning in a definite zone is allowed only from March 1st till August 31st (Art. 7.).

During fishing in the above mentioned zones, Italian fishing ships must not have other fishing implements than those used exclusively in the fishery systems envisaged for the zones in question. While fishing during permitted time, Italian fishermen must keep at a distance of half a nautical mile from Yugoslav markings which show the position of nets for mackerel fishing and 300 metres from the markings showing the position of the moored nets, long lines and other catching equipment. (Art. 8.).

The Italian ships must also be provided with the following ship documents: registration and health lists as well as with the special fishing permit. The registration list is necessary to prove that the fishing ship in question is of Italian nationality, that it has been entered in the register of Italian ships and that it belongs to a port on the Italian coast. The health list must show that all members of the crew are healthy. These are precautionary measures to prevent the spreading of infectious diseases. The special fishing permit authorizes ship to fish a definite kind of fish, in the strictly limited zone. Such permits are issued by the competent Italian authorities according to a definite form enclosed with the agreement. The Yugoslav authorities confirm these permits with their visas stamped on the document itself, thus making it fully valid (Art. 5.).

The fishing by Italian fishermen in areas for which they had no permit, has often been the subject of dispute under the pre-

vious 1949 agreement on fisheries. Italian fishermen considered that if they possessed a permit for fishing in any of the areas, they could catch fish in all the permitted zones, which was in obvious contradiction with the express regulations agreed upon.

The new agreement recognizes the right of the Italian fishing vessels to seek shelter in case of inclement weather and this in a limited scope. As it has been exactly fixed where Italian fishermen may fish, they are entitled to shelter only in those ports of the Yugoslav coast which are closest to these areas. These are the following ports: Komiža, Velaluka, Rogoznica and Novigrad. The fishing ships which request shelter in these ports must report to the port authorities and the competent People's Committee, or its local organ (Art. 7).

During fishing operations Italian fishermen must observe the regulations laid down by the competent Yugoslav authorities. The Yugoslav authorities retain the right of jurisdiction and control over the Italian ships while these are fishing in Yugoslav waters. An important question is control over Italian fishing ships by Yugoslav patrol boats. In exercising control, the patrol boat must ascertain the exact spot where the Italian ship was caught in the breach of regulations, by using nautical and other instruments. It is of special importance to establish this most precisely as in the event of a dispute between the Yugoslav and Italian authorities as to the exact spot of the breach, the findings of the Yugoslav official organs on the basis of names and drawings entered in the coastal and special maps annexed to the agreement, are valid.

Such breaches may be committed by the Italian fishing ships in two ways; either by fishing outside the permitted fishing areas in Yugoslav territorial waters and in the external sea belt or by having a permit for fishing in another zone.

For easier orientation of Yugoslav patrol boats, it has been laid down that Italian fishing ships must hoist on the flagstaff a red-blue flag, according to the model set in the agreement, and shall lower it only on leaving the permitted fishery zone. (Art. 2, section 3).

The right of control comprises the right of inspection of Italian fishing ships, that is, examination of documents and search of the cargo, as without the latter it would be impossible to ascertain the breaches committed by using prohibited fishing implements, as specially foreseen in Art. 4 of the agreement. This inspection, according to Art. 9 of the agreement, is always possible while the ships are in the zones envisaged by the agreement; which means, even when no breach has been committed, and exclusively with a view to regular control. In other fishing areas of the Federal People's Republic of Yugoslavia which are not embraced by the agreement, the right of supervision likewise belongs to Yugo-

slav patrol boats when a breach is suspected, that is when it is considered that the Italian fishing vessel may have fished in the Yugoslav territorial waters and in the external sea belt. The question arises whether Italian fishing ships have right to effect a peaceful inoffensive passage through Yugoslav territorial waters and the outer sea belt like any merchant ship?

We consider that the general criterion valid for the peaceful and inoffensive passage of merchant ships through the territorial waters of the riparian state cannot be equally applied to fishing ships. This because any fishing ship found in the alien territorial waters is suspect of having come there for illegal fishing, unless more serious acts such as smuggling or spying are involved. An exception could only be made if the passage of the fishing boat was necessary as a short cut to a definite permitted fishery in Yugoslav territorial waters and in the outer sea belt, or to an international fishery. In any case, inspection of such ships would be necessary in order to establish the facts.

A similar view was expressed by the Argentine authorities in a dispute with the USA when American fishing ships sailed through Argentine waters ostensibly for peaceful and inoffensive passage but they also fished along the way. The Argentine Government had agreed to such a passage on condition that the ship's implements should be found duly packed in the storeroom when the ship is inspected and called upon to prove that it is on its way to definite fisheries but that the way necessarily leads them through these waters.

The Yugoslav-Italian agreement, besides granting concessions to Italian fishermen, also contains a fishing arrangement between the two countries as regards delimitation of the fishing zones in the Trieste Bay (Art. 14). This arrangement was concluded because the width of the Trieste Bay between the Yugoslav and Italian longitudinal coasts is in several places under 12 nautical miles, that is, less than double width of the territorial sea, so that the territorial waters of the two countries overlap each other. Hence it was necessary to establish the middle line between the two shores.

This agreement, in view of the concessions given, is a great sacrifice for the Yugoslav peoples. It was nonetheless concluded in order to prove how much we are prepared to sacrifice for the sake of establishing peaceful and good neighbour relations between the two Adriatic states. It would also be our wish to see the establishment of closest cooperation between Yugoslavia and Italy in regard to regulating the protection and rational exploitation of the fish reserves in the whole Adriatic Sea in order to make it a permanent source of food supply not only for us but also for the future generations of our peoples.

YUGOSLAVIA AND HER FOREIGN-ECONOMIC PARTNERS UNJUSTIFIED OBJECTIONS

A. PARTONIĆ

YUGOSLAVIA'S policy of good relations and cooperation with all countries which accept such relations on the principles of benefit to both, as well as equality and mutual respect — without imposing any political conditions — gave fruitful results also in the economic field where very lively and all round relations evolved with nearly all countries, on all the continents. Basically orienting herself towards her traditional economic partners — such as the European countries and the USA — Yugoslav foreign trade activity, along with the rise of productive possibilities in the country, was especially directed towards markets in the Near East and Middle East, in Latin America and Asia generally.

This policy is reflected primarily in the gradual and steady rise of both imports and exports.

Last year and this year, two factors contributed to the considerable increase in Yugoslav exports:

normalization (after a five-year pause) in relations with the USSR and East European countries;

intensified orientation of home production (primarily industrial) towards exports, for the purpose of establishing the necessary equilibrium in the payment balance.

Thus the first half of 1956 saw the largest post-war exports in that period, about 42 billion dinars; while in the month of July alone 7.5 billion dinars worth of goods were exported. Such developments are undoubtedly very favourable, and exports may be expected to reach the figure of 95 billion dinars by the end of the year, which would surpass the 1956 Economic Plan figures by about 7 billions.

Here it is of special significance that the same period saw an increase of Yugoslav imports, although in a lesser percentage and that the increase of exports was reflected evenly in all geographical areas, both eastern and western, except that this increase was somewhat more noticeable in the trade with some East European (primarily with the USSR).

However, just this circumstance — a more sensible rise in commercial exchanges and expansion of economic relations with the USSR and some East European countries — led certain circles in the West and a section of the Western press to conclude, either out of ignorance or intentionally, but in any case incorrectly, that the Yugoslav foreign-economic policy was "turning towards the East".

How unfounded these interpretations are, how little in keeping with truth and calculated to advance special interests, will be shown by a number of facts.

WESTERN EUROPE — TRADITIONAL MARKET

Yugoslavia's economic relations with West European countries are very lively and on a high level of development. When one bears in mind that they are based on equality and mutual benefits of the partners, then they can indeed be looked upon as economic cooperation, and that such type of cooperation as contributes to the development of European economy as a whole. At any rate, it is evident that the basis of these relations is commercial exchange, while other forms are inadequately exploited, they are actually neglected — and not always through Yugoslavia's fault.

The West European countries, as is known, constitute the traditional markets of Yugoslav economy both as regards exports and imports. An even more obvious orientation toward these markets after the war occurred, in the 1949—1953 period when the Cominform conducted its political campaign and economic blockade against Yugoslavia.

Various reproduction materials, including artificial fertilizers and cellulose, technical and rolled materials, castings, component part for the current industrial production as well as raw materials (to a lesser extent) — all these articles Yugoslavia purchased and still purchases, for the most part, from the West European countries. These countries, at the same time, chiefly supplied Yugoslavia with investment goods — from machines to entire plants needed for some key projects, as well as with licences, patents, technical documentation and technical assistance (along with the necessary materials) — which even more closely linked Yugoslav economy with that of Western Europe.

The fact that Italy, Western Germany and France — for example — have been taken first place in Yugoslav commercial exchanges with foreign countries during the last few years as well as in the first half of this year, is not an accidental occurrence nor is it to be lightly dismissed.

Just because of such relations with Western Europe, Yugoslavia always endeavoured to expand her economic ties with this market beyond the framework of ordinary trade exchanges — from credit agreements and long-term arrangements down to agreements on cooperation and scientific and technical cooperation.

PLANS AND REALIZATION

Yugoslavia's wish to have good economic relation with various West European countries led to the conclusion of certain new instruments with the principal partners.

But what about their realization?

Take France, for example. After prolonged negotiations between the two Governments, arrangements were signed in Paris in July last year for the strengthening and expansion of Franco-Yugoslav economic relations.

The attention of the public, especially of the economic circles in both countries, was drawn to the protocol laying down the principles on which Franco-Yugoslav cooperation shall be based. The protocol also provides for the financial resources which will serve for the realization of this cooperation. The French Government is granting for this purpose a revolving credit of 1.5 billion francs, for a period of five years, which will be constantly renewed. In addition to this, arrangements will be made for the setting up of a technical assistance fund for financing technical and scientific cooperation, likewise for a period of five years. Both countries would appropriate the necessary sums for this fund — France 250 million francs and Yugoslavia 150 million francs in dinar currency.

But these instruments have not yet materialized, as the French Parliament ratified them only on August 3 this year, that is after the lapse of an entire year!

This delay on the part of the French was undoubtedly caused by objective reasons, but it is equally clear that too much time has been lost by delaying the realization of a positive arrangement which promises to benefit both countries already linked by traditional friendship.

An agreement on investment credit to Yugoslavia, amounting to 45 million dollars, plus 15 million dollars based on reparation claims, was concluded with Italy whose place in the Yugoslav foreign trade business last year was first. This agreement was signed towards the end of March this year, likewise after very prolonged negotiations lasting a whole year.

Thus a new framework was created for the further development of economic cooperation and for the stronger linking of the two national economies. It was considered that the three-year period envisaged for the conclusion of businesses under the agreement, would be sufficient for the full utilization of this credit.

But a series of difficulties were encountered in the actual transactions with Italian producers. Some of them, one might say, are of an objective nature. For instance, the prices of products of the Italian industry, compared with those of Western Germany, Austria, Czechoslovakia and some other countries, are higher by 5 to 50%.

In the meantime, Yugoslav economic representatives justly showed their displeasure at another manifestation, namely after the conclusion of the Investment Credit agreement, the prices quoted by some Italian firms were raised by another 10 to 15%. On the other hand, it happens that Italian banks refuse to discount eight-year term bills for conclusions on exports to Yugoslavia as envisaged by the Credit Agreement.

Hence, according to National Bank data, business transactions only for something over 350 million lire were concluded under this agreement by the middle of last month, while they should be for a billion lire monthly if the credit is to be utilized within the prescribed term.

Such a low rate of using this credit is neither in keeping with the needs nor with the possibilities of Yugoslav-Italian economic cooperation. All the more so as Italian exporters are looking for possibilities to place their products while the Yugoslav industry wishes to purchase the necessary equipment.

As regards relations with Italy, another fact is characteristic. An agreement on local exchanges between the Yugoslav frontier areas and the Trieste border zone was signed in Rome on March 31, 1955. The volume of goods exchanges was to be for about 4.3 billion lire. This agreement is significant not only in view of the amount of trade envisaged, but also because of its special interest for both the Trieste and Yugoslav border areas.

However, this agreement is not yet in operation as the Italian Parliament has not ratified it — although ratification by any of the two sides has not been stipulated in the agreement as a condition for its implementation.

The case with Western Germany is well-known to both the Yugoslav and foreign public. After long negotiations with the Bonn Government, an agreement was finally signed, towards the end of March this year, on the regulation of Yugoslav prewar and war claims from Germany on various private-law counts.

Under the agreement, Western Germany undertook to pay Yugoslavia a compensation totalling 300 million marks — of which 60 millions was payable immediately, while, the rest of 240 millions was to be paid in five equal yearly instalments.

The settlement of this question which had been drawn out since January 1954, hindering normal development and political and economic relations between the two countries, was welcomed



by both German and Yugoslav economic representatives. Bearing in mind the needs of Yugoslav economy as well as the present orientation of its development, it was expected with certainty that the bulk of these resources would be used for purchases, in Western Germany, of equipment needed for the reconstruction of industrial projects, for reproduction materials and possibly for the building of some smaller projects of the food and processing industries.

But what happened? The Bonn Bundestag "had no time" to ratify this agreement before it dissolved for summer vacations!

Thus it postponed, actually prevented, any possibility for reviving normal economic relations and their further expansion — which are desired by both German and Yugoslav economic quarters.

USEFUL ARRANGEMENTS WITH THE USSR

And what is the position with East European countries which constitute, in a way, the new foreign-economic area of the Yugoslav state.

We shall deal only with the USSR, which is Yugoslavia's principal partner in that area.

Soon after the renewal of economic relations, the USSR, already last year took the fourth place in Yugoslav exports, and sixth in imports.

The agreement provides for this year's goods exchange totalling 110 million dollars in value (55 millions on each side). According to business concluded during the first seven months, the Agreement is expected to be fully carried out by the end of the year (as was the case last year too). In this way the USSR would take one of the first places in Yugoslav foreign trade transaction in 1956.

As is known, a protocol was signed in Moscow on September 1st last year providing for the conclusion of a series of agreements and other arrangements for the complex regulation of economic relations between the USSR and Yugoslavia, beyond the framework of ordinary goods exchanges. Already towards the end of last year and beginning of this, the Moscow protocol was completely realized.

The agreement on scientific and technical cooperation, concluded in Belgrade on December 19th, 1955, was the first to be signed. The protocol on commercial exchanges for 1956 was signed in Belgrade on January 6th; it was supplemented later on so that the total volume of mutual trade exchanges between the two countries will amount to 110 million dollars.

The agreement on cooperation in the erection of industrial projects was signed on January 13th, also in Belgrade, providing that the corresponding Soviet organizations should erect in Yugoslavia, within a period of three years, two factories for synthetic fertilizers and one thermo-electric power station as well as to deliver equipment for the reconstruction of three mines.

Two more agreements were signed in Moscow on February 2nd; the Credit Agreement for the purchase of raw materials and Agreement on a loan for foreign exchange reserves. The first mentioned determines purchases, in the USSR, of various raw ma-



terials needed by the Yugoslav industry, and not easily obtainable in other markets. The credit amounts to 54 million dollars, with the right of utilization in three years, while the repayment at 2% interest, will be made in ten years beginning with the end of the year in which the corresponding part of the credit was utilized. The second agreement grants Yugoslavia a credit of 30 million dollars — in gold or convertible currencies. The term of the utilization of this loan is likewise three years; the repayment term being ten years at 2% interest.

An agreement on cooperation in the field of utilization of nuclear energy for peaceful purposes was signed in Belgrade on January 28th, while an arrangement was signed in Moscow recently on the construction of a complete aluminium plant in Yugoslavia.

These agreements and arrangements with the USSR have already been ratified, and what is particularly important, they are being carried out. Judging by the course of events, no doubt should be entertained as to their full realization within the prescribed time. They not only constitute a solid basis for the development of various types of cooperation between Yugoslavia and the USSR but also serve to advance Yugoslav economy generally, at the same time providing for an expansion of economic relations with other countries.

* * *

These are the facts.

They indicate eloquently enough, where the truth is to be found, and whose objections would be justified in this case.

But objections are not important. What is important is that Yugoslav economy, which is struggling to emerge from backwardness (and succeeding) needs such economic partners who will have an understanding for its efforts and who will be able to see a way for ensuring common benefits in its development,

DEVELOPMENT OF YUGOSLAV-INDIAN ECONOMIC RELATIONS

V. MESARIĆ

IT may be said without exaggeration that economic relations between Yugoslavia and India have a history of their own.

It is a modest record, both in duration and results, especially when compared with the important economic relations which big countries have with India. However, if one bears in mind the beginnings, then these results are undoubtedly significant. These results actually indicate the huge economic and general social progress achieved in both countries. In contrast to this, stand the

facts that economic relations between the two countries before the war were feeble and without prospect of development as the economies of both countries were more or less dominated by foreigners, and this influenced the direction and speed of their development.

It was clear both in Yugoslavia and India that methods should be changed also in the field of economic cooperation. Already on December 26th, 1948 the first trade agreement was concluded

between Yugoslavia and India. There is something symbolic in the fact that this agreement was simultaneously the first trade agreement concluded by free India. The commodity lists annexed to the trade agreement fixed the value of exports at 2.7 million pounds and imports at 2.3 million pounds. The realization of the agreement was not satisfactory and no essential alterations took place in the development of trade between Yugoslavia and India. Yugoslav exports were carried out by 15.2% and imports from India by 9%. The commodity lists contained more or less the same products as before the war. Yugoslav exports included maize, caustic and ammoniac soda, chairs, chains, timber carbide, etc., while the imports were as follows: jute products, oil plants, cotton, castor bean, leather, manganese ore, shellac.

When the whole situation is objectively analyzed, one sees that particularly important results could not be expected under such conditions. Neither of the two countries had a sufficient quantity of important goods, there existed considerable import and export restrictions, there was no direct ship transport. The greatest difficulty at that time was a tendency on both sides to conduct exchanges through existing connections and this was particularly characteristic for the Indian market which was still to a great extent in the hands of British firms. The result of these efforts besides a certain increase of goods exchanges, was that the Indian market promised to become very important under conditions of free political and economic development and that it was necessary to expand the economic ties through systematic work. This period was followed by several years of trade relations without agreement. This time was used for the further development of economic relations and exchanges with India. The opening of Yugoslav economic representations; participations at fairs, visits of Yugoslav business-men — all this contributed greatly to a slow but sure progress of trade exchanges.

The 1953 trade agreement was an expression of new efforts on the part of Yugoslavia and India to strengthen their exchanges. Indicative lists of the Agreement envisaged a far greater number of articles than hitherto. The Yugoslav export list contained 150 articles including a series of products of the heavy industry while the Indian export list contained 53 articles. This constitutes an incomparably larger number of articles than was the case previously and reflects a significant progress achieved in both countries in the field of production and export possibilities. This showed that there exists a base for a wide exchange of commodities which only awaited its realization. The shipping line for India and the Far East inaugurated with ships built in Yugoslav shipyards, was another proof of the will and capability of Yugoslav economy to affirm itself on the Indian market. This period was characterized by the strengthening of political and other relations with India. An ever growing number of Yugoslav economic representatives began to visit India where they got acquainted with the existing possibilities.

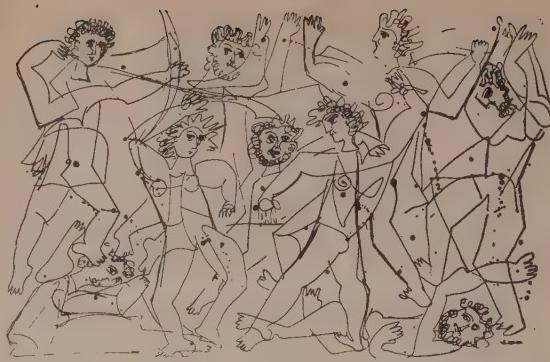
An important factor in stimulating cooperation in the economic field was President Tito's visit to India and the visit of Premier Nehru to Yugoslavia. The joint communiqué issued at Brioni on July 6, 1955 said: "The President of the Republic and the Prime Minister examined the economic relations between the two countries and established that the volume of commercial exchanges is not in keeping with the close relations which exist between us. What is required is a better mutual acquaintance of economic conditions with a view to advancing trade and economic cooperation. Both sides have agreed to exchange economic missions for the purpose of examining possibilities and proposing concrete measures and forms of economic cooperation. They have also agreed to stimulate cooperation between the two countries in the scientific and technical field".

In 1955 Yugoslavia was visited by an Indian economic delegation headed by assistant Minister of Production Mr. Kher. This delegation toured some industrial enterprises. On this occasion the delegation displayed an interest in Yugoslav shipbuilding as well as for the system of workers' management in economy.

As a result of past efforts and increased possibilities for the export of Yugoslav goods, exchanges with India considerably increased towards the end of 1955 and beginning of 1956. In the first five months of 1956 exchanges surpassed the total figure of exchanges in 1954 and 1955, as the following table shows:

	(in million dinars)		
	1954	1955	1956 (five months)
Exports	61.5	76.5	511.8
Imports	14.5	109.2	80.3

It is reckoned that Yugoslav exports will be considerably increased by the end of the year, it will include the delivery of larger contingents of steel and cement. It should be emphasized



that Yugoslav industry has competed successfully for government orders in India. The first business was an order for the delivery of cranes for the railway wagon factory at Perambur. In the case of other government orders Yugoslav industry appeared more or less successfully as a serious competitor for the delivery of railway wagons, railway structures, elevators, electric equipment, steel, etc. Besides this, the assortment of articles was widened so that Yugoslavia today appears in India as an exporter of diesel-locomotives, aluminum wire, copper products, steel, steel structures, transformers etc.

Early in 1956, negotiations were conducted for a new trade agreement, on the initiative of the Indian Government. The need for new negotiations had been felt for some time past as important changes had occurred in the economic development of both countries. The new commercial agreement, signed on March 30, is a new contribution to the development of economic relations and trade exchange between Yugoslavia and India. In contrast to previous agreements which were concerned only with trade, the new commercial agreement provides also for other aspects of economic cooperation, especially technical cooperation. It includes clauses which guarantee a favourable treatment for ships of both countries. Also attached to the agreement are optional lists, and its validity is extended till March 30, 1959. Thus a sufficiently elastic instrument has been created providing for development of economic cooperation and exchanges over a longer period. Along with the commercial agreement two letters have been signed. The first provides for the possibility of supplying steel and cement on the part of Yugoslavia and iron ore on the part of India. The intention has been expressed on both sides to help commercial organizations in the realization of these possibilities. The second letter stresses India's wish to order ships in Yugoslavia while the Yugoslav Government undertakes to use its influence with domestic shipyards for priority for Indian orders if possible. Both Governments have also accepted the obligation to speed up the clearing of technical details and meetings of technical experts so that agreements could be concluded without delay. These two letters were exchanged in order to give some initiative and assistance in those cases where both sides consider that an increase of trade exchange would be mutually useful. The possibilities and wishes expressed in these letters have been fulfilled to a considerable extent. Yugoslavia has sold India considerable quantities of cement and steel, while certain quantities of iron ore have been purchased in India. The two Governments have also facilitated the concluding of arrangements for the construction of a transoceanic ship in a Yugoslav shipyard.

Although the balance sheet of economic cooperation is positive and progress very significant, Yugoslav-Indian cooperation is nonetheless hindered by serious handicaps and problems.

The most important problem is the realization of a stable and high level of exchanges. This year's results especially show that exchanges can reach a significant figure. But in this year's trade a small number of products constitute a big share of the realized values of exchange. Such a structure does not guarantee stability of trade in relation to the fluctuation of economic status. Hence the question of the further expansion of assortments is the basic condition for stabilization of trade on the desired level. The other side of the same problem is the question of the purchase of goods in India, as exchanges with any country cannot develop on a unilateral basis. It is necessary to increase such purchases for Yugoslavia as iron ore, manganese ore, cotton, coal, wool, shellac, oil plants, spices, etc. It should particularly be stressed that there are cases when products for which India figures as the largest

exporter, are purchased in European countries in larger quantities than they are bought in India itself. In this connection it may be stated with certainty that in most of these cases commercial considerations are not the cause but rather certain inadequacies deriving from the system of distribution of foreign exchange or various subjective causes. Of course it is to be expected that the Indian side too will make greater efforts than hitherto for the placing of its products in Yugoslavia, that it will particularly facilitate the purchase of those products for which there is a strong demand and which are not readily obtainable, as some countries are still able to secure these goods for themselves on the basis of earlier specific arrangements. It seems to us that a stronger representation of Indian economy at the Zagreb Fair would considerably strengthen these ties.

It may be remarked further that relations are for the most part revolving on the plane of development of trade exchange while other forms of economic cooperation are not yet sufficiently developed. Without broader economic cooperation it will not be possible to create a lasting base for more extensive goods exchange. Technical cooperation is inadequately developed, although possibilities exist for useful cooperation between the two countries. Similar possibilities of cooperation also exist in the field of transport, as both countries are interested in transporting the largest possible quantities of goods in their own ships and to construct their own merchant fleets as soon as possible. Nor can it be said that economic plans of development are known in detail, etc. True, considerable progress has been recorded in mutual acquaintance but this applies chiefly to a relatively small number of leading economic and political functionaries and some business representatives. Intensified activity in this field could help and speed up economic cooperation.

Viewed primarily from the Yugoslav standpoint, exchanges with India suffer from a series of other weak points. A comparatively feeble and small commercial apparatus of Yugoslav enterprises in India is not in a position to deal even with a small part of the possibilities offered by the Indian market. In this respect Yugoslavia lags behind most of the European countries. This fact is sometimes the cause for slow reaction and slow adaptation to the needs of the market. Thus, possibilities enjoyed by Yugoslav industry at the present level of its development are turned to poor account. Perhaps the extensive engagements which have existed on the domestic market so far, constitute one of the chief reasons for this state of affairs. However, the latest situation in Yugoslav production, characterized by a well stocked market, better raw material and energy supplies, modernization and reconstruction of the more important branches of production, rapid broadening of assortment, introduction of new plants, — shows that possibilities of Yugoslav economy will grow more progressively than hitherto. It may be expected, therefore, that efforts for increasing trade with India will be intensified, which will result in the strengthening of the commercial network of Yugoslav firms in India and improvement of selling methods.

The past results of economic cooperation between India and Yugoslavia are undoubtedly significant and show that the path of this development is natural and correct. The fact remains that a limited number of possibilities have been realized till now — possibilities which exist in the dynamic economies of both countries — and that a constant growth of economic cooperation and exchanges may be expected in the future.

Our views on some questions

ON THE EVE OF ITALIAN COMMUNIST PARTY'S CONGRESS

A considerable period of time still separates the Italian Communist Party from its Congress. And yet, the whole internal party life is already imbued with the spirit of the Congress and discussions are going on in the organizations and in the party press. The spirit of the 20th Congress of the Communist Party of the Soviet Union has doubtless strongly influenced the Communist Party of Italy. The desire to make a deeper analysis of the causes leading to the Stalin Cult in the Soviet Union and the capability and courage of the Communist Party of Italy to penetrate to the very core of this problem, is certainly the result of a considerable independence of that largest Communist Party in Western Europe in taking its decisions and defining its policy. When many other parties were unprepared to accept the new spirit without delay the Italian Communist Party won the reputation of having been the quickest in adopting the intentions of the Twentieth Congress.

The Eighth Congress of the Communist Party of Italy coincides with the orienting of the Italian political life towards the left.

This process also found expression at the recent administrative elections. The trend of the masses towards the left and attempts to consolidate the working class, are continuing. But this is not so much the result of the efforts of left-wing party leaderships, (with the exception of the Communist Party of Italy which is seriously advocating the unity of the left movement), as it is of the working masses themselves, and particularly of the working class.

The new political orientation of the Soviet Union which has greatly contributed to the relaxation of the international tension, also had a considerable effect on the relation of forces in Italy.

The monarchist and pro-Vatican forces which, in exercising constant influence on the right-wing of the Government Christian Democratic Party, and exaggerating the danger of war from the East, have now lost the strong argument which helped them in the past to keep the Government and the Italian masses away from the real and momentous problems of the country. Hemmed in by its internal problems, the Italian Go-

vernment has of late adopted a realistic concept in the pursuit of its foreign policy and advocates a new treatment of the Atlantic Pact. The intentions of the Segni Government as well as those of the President Gronchi, to establish closer contacts with the Soviet Union, are also opening up prospects for more constructive cooperation in the Italian political life. The latest strike of railway workers, and especially the big strike of agricultural workers, the colons and share croppers in which all three trade union organizations (the General Confederation of Labour, the Social Democratic and Christian trade unions) and even the ACLI (the Catholic Action of Italian Workers) — established unity of action, showed that Italy is actually faced with the possibility of a more comprehensive unity of the progressive forces.

In the new situation, the Christian Democratic Party of Italy has lost much of its prestige and strength, although it had been increasing its influence among the working class and socially threatened masses thanks to the bloc division and the then

position of the Communist Party of Italy as well as owing to the activity of its left-wing.

In such a political atmosphere the Italian Communist Party launched its pre-congress discussion with a view to assessing the new situation in the Italian socialist movement and generally in the world. The most important question raised is that of the Italian path towards socialism, and this question involves a series of other sub-questions such as — independence of the party, democracy in the party, cooperation with other progressive forces and so on.

The preparations for the Congress which is to make an analysis of past work and attitude, and define the new perspective line — began with the June session of the Central Committee of the Communist Party. But this session only resumed the discussion on the situation in the world Socialist movement, and particularly in Italy, as well as the analysis of events in the Soviet Union which received a special impetus from the well-known interview given by Togliatti to the "Nuovi Argomenti" review.

The recent plenary meeting was the most important Plenum of the Central Committee in the last decade. It was to be terminated with a certain disorientation in party ranks after the unexpected condemnation of Stalin at the 20th Congress. A new spirit was introduced in the discussion with the premises and demands for democratic methods in the socialist movement, establishment of the thesis that there exists an orientation towards socialist development even in those countries where communist parties are not in power and where they are not even strong, views on national ways to socialism and on equal relations between parties of the so-

cialist movement as well as by stressing that relations between the Communist Party of the Soviet Union and the League of Communists of Yugoslavia are exemplary.

The majority, headed by Togliatti, considers it essential to define a specifically "Italian" orientation of the Communist Party of Italy, especially in relation to internal policy. The left current (Sechi) expressed certain reservations in the parliamentary path to socialism, while the right (Teraccini) declared itself for parliamentary methods, seeing in them the "only guarantee against the non democratic degeneration of socialism".

The discussion, which is now in full swing, chiefly dwelt on questions of democracy in the party, discovery of the Italian path to socialism and creation of a united socialist movement in Italy.

Frequent references to one of the founders of the Communist Party of Italy, Gramsci, points to the serious theoretical and practical discussions on the realization of socialism in various countries, through various forms, about which this theoretician of Italian socialism had written some thirty years ago and more.

Political life also imposed the question of the practical regulation of mutual relations of the socialist forces in Italy. The patient policy of the Communist Party of Italy which endeavoured to preserve the unity with the Socialist Party, was not unsuccessful. After Nenni's rapid sensational turns from supporting pro-Stalinist concepts at the time of administrative elections, to the later complete rejection of Stalin and doubts in some institutions created during the revolution as well as mistrust in the new leadership of the Soviet Union, followed by his being di-

savowed on the part of the membership who disagreed with such attitudes of their leader, — relations with the Communist Party of Italy improved. After attempting to enter the Government coalition, after using chances to become a link between the Communist Party and other left-wing parties and groups, Nenni will probably try to re-establish a closer unity with the Communist Party. Finally the same thought was expressed in the recent declaration of the SPI which considers that the new situation in the world "presents an advantage for rapprochement between various movements and parties which are joining socialism in various ways".

The attempt of the Communist Party of Italy to effect a rapprochement with the Social Democratic Party was unsuccessful. At present, it still advocates the thesis for exclusive cooperation with the Government coalition, rejecting cooperation with the Communists. But certain divergences exist in it, precisely as regards further orientation and cooperation with the remaining parties of the left.

The further development of the socialist movement in Italy will depend to a great extent on the attitude which the party will adopt at the congress. The unity of the socialist movement has a tradition in Italy and prospects of success, all the more so as this constitutes an expression of the will of the working masses, regardless of the attitude of their leaderships. The policy of the Communist Party of Italy, which has lately become much more elastic not only in relation to the leftist parties but also in Parliament, is more acceptable for the unity of action of the Italian working masses and for the leftist movement.

M. K.

A DISQUIETING DECISION

THE decision of the Supreme Constitutional Court in Karlsruhe banning the Communist Party of Germany, was appraised by the progressive international public as an event which draws attention to certain manifestations in the internal political development of the Federal Republic and which, in regard to its orientations on the external plane, primarily in relation to the solution of the German problem, arouses serious doubts and provokes considerable anxiety.

When something similar occurred in Germany twenty three years ago, when Hitler, liquidating the kernel of the German Communist Party, clearly outlined the future trends of his activity, the world was disturbed feeling that a serious danger was threatening. At that time the German Communist Party was a strong and progressive force. Today it is not nearly what it was before. With its weaknesses and delusions it has been reduced to a party unable to collect even the minimal number of votes necessary for a seat in the Bundestag.

However, this fact alters nothing in relation to the judgement of the Constitutional Court. Both prohibitions, that of 1933 and this of 1956, although appearing in diffe-

rent circumstances and different within frameworks, actually made the same grave impression on the democratic public opinion in the world. The present decision was not and could not be taken as a formal act of prohibiting the Communist Party as such, but above all as a clear attack on the democratic rights and freedom of the progressive, democratic forces in Western Germany. Twenty three years ago, the banning of the Communist Party was the beginning of a campaign which resulted in the horrors of fascism and fascist aggression. Many view the present prohibition as a symptom of something that might constitute, in a sense, the beginning of the repetition of history. For, no matter how much certain quarters in the West, and in Western Germany, itself endeavoured to disguise the whole procedure under a constitutional and legal cloak, the democratic public views it as a classical political trial and a verdict which ushers dangerous tendencies as an element of further development.

It is difficult to believe that the purpose of the trial before the West German Constitutional Court and its decision was to remove a rival of whom Bonn is allegedly

afraid, who is „endeavouring to shatter the existing regime" and who as such — as well as generally — does not correspond to the West German idea of Western democracy, of which a formalistic interpretation was skilfully supplied by the „independent and non-party court". It is well-known that this court consists of party personalities, mostly members of the Christian Democratic Party.

The judgment in Karlsruhe is not interpreted by objective observers as an acci-



lental excess of Bonn policy, nor as a "ta-tless insanity" as described in certain quarters. They see its real motives in the affirmation of a concept of "an ordered and disciplined state", stressing that this ban is another detail in a picture which, the clearer it is the more it gives cause for anxiety. It is pointed out that the Bonn policy is becoming ever more implacable towards those forces in Western Germany, and outside it, who dare think differently than Bonn considers it right, — ever more rigid and inelastic in regard to understanding modern international developments and hence increasingly suitable for nurturing — both in scope and influence — those latent and as yet unformed forces, remnants of the past, which in one form or another undoubtedly influenced the tone and trend of the Karlsruhe Court decision. And when a trial with highly doubtful motivations, started full five years ago, at a time when the cold war atmosphere was creating favourable conditions for the revival of various negative, revanchist and undemocratic elements — is terminated today, when the relaxation

of the international tension and positive changes in international development have become a reality, terminated in the sense of precisely those doubtful motives from which it sprang — then these are serious indications that a dangerous internal process in Western Germany is entering its critical phase. Anxiety is expressed on various circles that such forces grow despite the solemn undertakings of Bonn not to tolerate them, and that these forces are becoming a potential danger in the framework of a policy which sees in the speedy forming of the German army not only an instrument of defence but also an element of "order and discipline" while it considers the banning of the German Communist Party a legal basis for the squaring of accounts, at present only in the MacCarthy manner, with those who do not approve this policy.

But the verdict passed in Karlsruhe has another, equally negative aspect. It manifests itself as an action which places new barriers in the way of settlement of this complex question, while the process of uni-

fication of Germany is made even more complicated than it has been in the past. Despite all appeasing statements made by Bonn (and also because of them), one can hardly fail to see in the banning of the German Communist Party a rejection of all contact with Eastern Germany, rejection of the idea of an agreed solution through a rapprochement between the two sections of the German people — that is, insistence on the attitude which is as unacceptable in present circumstances to those who view things reasonably and realistically as it is suspect; precisely in view of the present conditions.

It is pointed out quite justifiably that the banning of the Communist Party of Germany shows what this unification should be, according to Bonn. Under present international conditions; when the policy of active coexistence is gaining both in prestige and influence, it also shows a considerable lack of the sense of reality.

S. D.

Cultural life

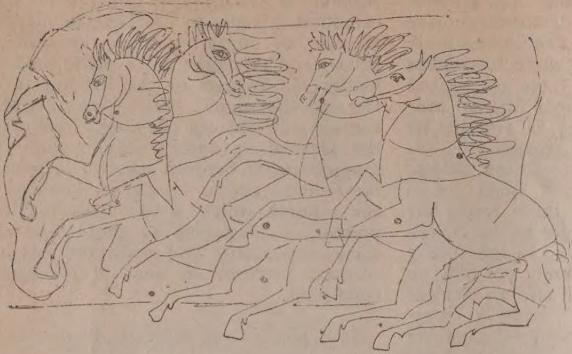
IMPRESSIONS OF THE DUBROVNIK SUMMER FESTIVAL

A. PREGER

FOUR reliefs frame the austere Gothic portal at the entrance to the Prince's Palace, the most important monument of Dubrovnik's ancient glory, power and culture. The upper two, works by a Dubrovnik medal engraver and goldsmith, Pavko Antojević, represent cupids enjoying music and dancing. Four boys with puffed-up cheeks are shown in the act of blowing long trumpets or working the bellows of an organ on which one of them is playing, and the harmony of their figures extends to the other side of the door in the rhythmic abandon of the dance. The old Pavko seems to have anticipated, five centuries ago, that the atrium of the Prince's Palace would be the centre of musical life in festive Dubrovnik. The atrium may indeed be likened to an embryonic cell from which the musical life of the Summer Festival issued and developed. The directors of the Festival show great resourcefulness in finding new and perfectly suitable places for different concerts and performances, in various parts of the city, thus turning to account the inexhaustible wealth of Dubrovnik's natural scenery. One can hardly call to mind another city with as many historical monuments, at the same time abounding in such beautiful scenery. But the atrium of the Prince's Palace surpasses all other natural stages on which musical performances can be given with effectiveness.

But a felicitous arrangement and organization of performances, this year's chamber music concerts — which correspond to

the elegant character of the Prince's Palace, classically balanced and imbued with the sunny atmosphere of the Mediterranean — will be the central events of the Festival. They began with the guest appearance of the big Zagreb Opera ensemble which gave spectacular, unusual and highly interesting performances of Verdi's "Othello" in the Revelin fortress and of Britten's "Lucrecia" performed inside the walls of the Lovrijenac fortress, as well as works by Yugoslav composers: Gotovac's "Ero the Joker" and Lhotka's ballet "The Devil in the Village". The end of the Festival will see the appearance of the Ljubljana Opera ensemble which will give several performances of Mozart's "Don Giovanni" in front of the Sponza Palace, and Rossini's "The Barber of Seville" along with a Ballet Evening with the works of Strauss, Mozart and Gotovac. In addition to these musical and scenic performances, dramas are being given throughout the Festival. Shakespeare's "Hamlet" at Lovrijenac, Goethe's "Iphigenia in Tauris" in the Gradac Parke Držić's "Dundo Maroje" on the Gundulić square — are giving the basic characteristic to the whole Festival. And just as the Renaissance imprint of Shakespeare's tragedy and old Dubrovnik comedy completely fall in with these natural scenic backgrounds, so Goethe's antique theme found an excellent adjunct in the historical and natural frame of this city of unusual beauty. It is the same as regards musical ensembles: the Chamber orchestra of Radio Zagreb and its nucleus — the Zagreb soloists, have shown much spirit and



taste in choosing suitable places for their performances, taking care to adapt their repertoire to the character and atmosphere of the Summer Festival. The harmony of the surroundings, the repertoire, the style of execution of these concerts — all this is a special success of the Zagreb musicians. The Chamber Orchestra from Zagreb, under the baton of Antonije Janigro performed in the atrium of the present Trade Union Hall, formerly the cloister of the medieval monastery of St Clara near the Onofrio's Fountain. The little orchestra, installed in the open in front of this rather big monastery, did not have a sufficiently solid background for adequate resonance. That is why Beethoven's Second Symphony at this concert was like a transparent divertimento or serenade rather than youthful but energetic music that it is. The sound scattered in all directions and what remained was the refined but somewhat ineffective playing of a good quality ensemble. Nor did the spiritual Symphonette of Papandopulo get its real expression that evening. The second concert of the same ensemble, performed in the same cloister of the old monastery was much more successful. To place the orchestra under the arcades of the gallery, whence the sound spread nobly and transparently, was acoustically a much better solution. Under the baton of composer Boris Papandopulo, the programme — which was wholly devoted to the music of old Dubrovnik masters Sorkočević and Jarnović and motets of the Split composer Lukačić, sounded fresh and full of spirit. The inventiveness of our old masters is rich, while their elaboration shows mastership of the technique. This concert testifies that old Dubrovnik had a developed musical culture. Jarnović, it is true, is a Dubrovnik man only by origin and he acquired his musical knowledge in all parts of Europe as a violin virtuoso, writing his works for his own use. But Sorkočević lived in Dubrovnik. Both father and son were composers, and their family palace in which chamber music was nurtured for decades, still proudly stands opposite the Cathedral. Besides the performed works, many more of his symphonies — with strong Vivaldi themes and Haydn's stylistic elaboration — could certainly be found in the Dubrovnik archives.

The musical part of the Festival, with its well conceived repertoire and high-class execution, this year attracted special attention. The repertoire of the seventh Dubrovnik Summer Festival has been drawn up on a somewhat broader basis. In addition to dramatic and musical-scenic performances it also includes many purely musical works. The square in front of the Cathedral, which bears the name of the widely popular writer of comedies in old Dubrovnik, Marin Držić, saw in the continuation of these performances the Mozart evening of the Chamber Music Orchestra and of the Radio Zagreb chorus under the baton of Lovro Matačić.

The surroundings completely suited the character and spirit of this performance. I think I shall not go wrong if I describe this evening as the musical peak of the middle part of the Festival. Already during the first movements of the "free mason's plaintive music" by the great master, it was clear that the magical hand of the conductor had fascinated the listeners, gathered that evening in particularly large numbers. The birds, too, seemed bewitched. Their warbling from the roof and façade of the Cathedral sounded like a response to the impressive sounds of the ensemble with which Matačić sculpted the noble and tragic lines and sang the joyous and sonorous song of that most divine of all composers. The execution of "The Requiem" is unforgettable. Its strong dramatic quality, anticipation of a tragic end, the magnificent vision of the artist appalled in Mozart's final style which is saturated with polyphony, all this was conveyed in full measure. The whole space was inspired, imbued with music. The listeners followed this great celebration of musical art with the greatest tension and excitement.

The last appearance of the Chamber Music Orchestra from Zagreb was devoted to the concert performance of the opera "Dido and Aeneas" by the old English composer Purcell. The strong baroque movements of this music found moving and expressive power in the straightforward interpretation of the Zagreb musicians, and were also in solemn harmony with the simple, early-Renaissance character of the Prince's Palace. This rare harmony of music and surroundings, of the whole atmosphere in the atrium, gave an unusual and unique impression. The execution was dominated by the mature, full voice of Vladimir Ruzdjak, as if specially created for such music, while the warm timbre of Biserka Cvejić's voice accorded perfectly with his. Antonio Janigro successfully conducted the performance dramatically integrating the work into a whole. His Sonata Evening with the pianist Aldo Zikolini, which had been announced, was not held as Zikolini did not arrive. So the appearance of this fine pianist in Schumann's poetical clavier concerto did not take place, which was a pity. But then, the atrium of the Prince's Palace recorded other two successful artistic events. Our acquaintance from this year's appearance in Belgrade, the young Bulgarian pianist Juri Bukov, filled the porch of this palace with a pianist's art, rich in sonority. The Prague Sukov piano trio gave a fine evening of chamber music. The three Czech artists showed excellent harmony, unusual unity and musical impetus as well as a developed sense of nuances. The Dumky trio of Dvorak, built on the contrasts of sorrow and playfulness, and Smetana's trio imbued with autobiographical accents, found good interpreters in the young artists. If the national romanticism of these compositions disagreed with the milieu in which it was heard, this did not diminish the purely musical effect of the evening, which was strong and impressive.

Continuing their performances, the Zagreb soloists gave several evenings devoted to old composers and works of Mozart. Simply, but powerfully outlined movements of these masters vibrated in the Dubrovnik air — as if the tradition of Sorkočević's musical evenings was reviving. To link the old tradition with new efforts, to continue with more perfect instruments what the old Dubrovnik citizens began and successfully developed for centuries — is a thought which pervades this year's Summer Festival like a basic thread. If the programmes of performances continue to show artistic improvement, developing the wealth and variety of our art — both in creativeness and interpretation, then the symbolic representation of old Pavko, — whose cupids create and dance on the reliefs around the doors of the Prince's Palace, — was really a symbol of what had passed and a discerning view of what was coming.

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